(1) The President shall recommend to the Florida Gulf Coast University Board of Trustees that an organization meeting the requirements of Section 1004.28, F.S., be certified as a Florida Gulf Coast University Direct Support Organization ("DSO").

(2) To be considered for certification, the Articles of Incorporation and Bylaws of the proposed DSO together must provide:
   a. The DSO is a Florida not for profit corporation under the provisions of Chapter 617, F.S., or the DSO will, upon certification by the Board of Trustees, file for such incorporation with the Department of State.
   b. Any person employed by the DSO shall not be considered to be an employee of the University by virtue of employment by the DSO.
   c. The chief executive officer or director of the DSO shall be selected by the President and shall report to the President or a designee reporting directly to the President.
   d. Any amendments to the Articles of Incorporation or Bylaws shall be submitted by the President to the Board of Trustees for approval prior to becoming effective.
   e. The President or designee shall have the following powers and duties:
      i. Monitor and control the use of University resources by the DSO.
      ii. Control the use of the University name by the DSO.
      iii. Monitor compliance of the DSO with federal and state laws.
      iv. Recommend to the governing board of the DSO an annual budget.
      v. Review and approve quarterly expenditure plans.
      vi. Approve contributions of funds or supplements to support intercollegiate athletics.

(3) Upon approval by the Board of Trustees, a DSO is certified and authorized to use the property, facilities and personal services of the University, to receive, hold, invest or administer assets or property and to make expenditures for the benefit of the University. A DSO is further authorized to issue revenue bonds or other forms of Indebtedness upon approval of the Board of Trustees in accordance with Section 1010.60, F.S., and to enter into agreements to finance, design and construct, lease, lease-purchase, purchase, or operate facilities necessary and desirable to serve the needs and purposes of the University.

(4) The Chair of the Board of Trustees shall appoint a representative to the governing body and the executive committee of each DSO. The President or designee shall also serve on the governing body and executive committee of each DSO.
(5) Each DSO shall prepare and submit to the President or designee no later than the first day of each quarter of the organization's fiscal year a quarterly expenditure plan that delineates planned actions which would cause a commitment of University resources or represent a significant commitment of the resources of the DSO, including:
   a. Major fund raising events and campaigns and their purpose.
   b. Compensation and benefits to University employees and employees of the organization.
   c. Capital projects, including land acquisition, construction, renovation or repair.
   d. Other major commitments of the resources of the organization.

(6) Each DSO shall conduct its financial operation observing a fiscal year ending on June 30 of each year and shall cause a financial audit of its accounts and records to be conducted by an independent certified public accountant after the close of each fiscal year as follows:
   a. Audits shall be conducted pursuant to Section 1004.28, F.S., and in accordance with rules adopted by the Auditor General pursuant to Section 11.45, F.S.
   b. The President of the University shall submit the annual audit report to the Board of Trustees and the Auditor General within nine months after the end of the fiscal year.

(7) The President of the University shall recommend to the Board of Trustees that a DSO be decertified if the President determines that the organization is no longer serving the best interests of the University. The recommendation for decertification shall include a plan for disposition of the organization's assets and liabilities.

Specific Authority 1001.74(4), 1004.28(2) F.S. Law Implemented 1001.74(37), 1004.28 F.S. History - New 3-18-03.